

PROPOSAL PACKAGE

CC-ZION003-09

Department of the Interior

National Park Service

Zion National Park

**Proposal to Provide Lodging, Retail, Food & Beverage,
and Other Services**

within Zion National Park

PROPOSAL SUBMISSION TERMS & CONDITIONS

- 1) The Offeror's Transmittal Letter set forth below indicates your acceptance of the terms and conditions of the concession opportunity as set forth in this Prospectus. It indicates your intention to comply with the terms and conditions of the Contract. The letter must bear original signatures and be included in the Offeror's response package. The Service will review the entire Proposal Package to determine whether your proposal in fact accepts without condition the terms and conditions of this Prospectus. If not, your proposal may be considered non-responsive, even though you submitted an unconditional Offeror's Transmittal Letter.
- 2) The Proposal Package is drafted upon the assumption that an Offeror is the same legal entity that will execute the new concession contract as the Concessioner. If the entity that is to be the Concessioner is not formally in existence as of the time of submission of a proposal, a proposal must demonstrate that the individuals or organizations that intend to establish the entity that will become the Concessioner have the ability and are legally obliged to cause the entity to be financially and managerially capable of carrying out the terms of the contract. In addition, the Offeror must unconditionally state and guarantee in its proposal that the Offeror will provide the Concessioner with all funding, management and/or other resources that the proposal offers.

To: Michael D. Snyder
Director
Intermountain Region
National Park Service
12795 West Alameda Parkway
Lakewood, CO 80228

Attention: Concessions Management Division (IMDE-ACM)

Dear Mr. Snyder:

The Offeror hereby agrees to provide visitor services and facilities at Zion National Park in accordance with the terms and conditions specified in the Concession Contract No. ZION003-09, provided in the Prospectus issued by the public notice as listed on www.fedbizopps.gov and to execute the draft concession contract without substantive modification (except as may be required by the National Park Service pursuant to the terms of the Prospectus).

The Offeror is enclosing the required "PROPOSAL" which, by this reference, is made a part hereof.

The Offeror certifies that the information furnished herewith is complete, true, and correct, and recognizes that false statements may subject the Offeror to criminal penalties of 18 U.S.C. 1001. The Offeror agrees to meet all the minimum requirements of the draft concession contract, and the Prospectus, and that the Offeror has provided all of the mandatory information specified in the Prospectus.

The Offeror certifies in accordance with 43 CFR Part 42, as applicable, the following:

Any of the individuals or entities seeking participation in this Concession Contract are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from a public transaction by a federal department or agency.

Within the three years preceding submission of the Proposal, none of the individuals or entities seeking participation in this Concession Contract have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, or for violation of federal or state antitrust statutes or for commission of embezzlement, theft, forgery, bribery, falsification of records, making false statements, or receiving stolen property.

None of the individuals or entities seeking participation in this Concession Contract are presently indicted for or otherwise criminally or civilly charged by a federal, state or local unit of the government with commission of any of the offenses.

The individuals or entities seeking participation in this Concession Contract have not had one or more public transactions (federal, state or local) terminated for cause or default within the three-year period preceding the submission of the Proposal.

The Offeror, by submitting this Proposal hereby agrees, if selected for award of the new concession contract:

1. To the minimum requirements of the Prospectus as identified in Part A of this Proposal Package.
2. To complete the execution of the final Concession Contract within thirty working days after it is presented by the National Park Service.
3. To commence operations under the new concession contract on the effective date of the new concession contract.
4. To operate under the current, Service-approved rates to visitors, until such time as amended rates may be approved by the Service.
5. To acquire the Personal Property and Inventory of the existing Concessioner under the terms of the existing concession contract.
6. To resolve any dispute regarding the value of the property of the existing Concessioner in accordance with the terms of the existing concession contract and to allow the Service to participate in the Personal Property value determination in the same manner and to the same extent as provided for with respect to Possessory Interest value determinations as described in 36 CFR Part 51 Subpart H.
7. [Include only if the Offeror is not to be the Concessioner under the draft concession contract.] To provide the entity that is to be the Concessioner under the draft concession contract with the funding, management and other resources described in our proposal.

BY _____ DATE _____
(Type or Print Name)

ORIGINAL SIGNATURE _____

TITLE _____

ADDRESS _____

CERTIFICATE OF CORPORATE OFFEROR

(Offerors who are not corporations should skip this certificate)

I, _____, certify that I am the _____ of the corporation named as Offeror herein; that _____, who signed this proposal on behalf of the Offeror, was then _____ of said corporation; that said proposal was duly signed for and in behalf of the corporation by authority of its governing body within the scope of its corporate powers.

BY: _____ DATE _____

(Type or print name and date)

Original Signature

TITLE _____

ADDRESS _____

PART A

The minimum requirements for the draft concession contract are identified in this Part A of the Proposal Package. If the Offeror, in its transmittal letter, does not agree to these minimum requirements, the proposal will be considered non-responsive. A copy of Part A must be included in the Offeror's response package. (The requirements of Part B of this Proposal Package outline detailed subfactor submissions referenced in this part, as well as additional secondary selection factors.)

PRINCIPAL SELECTION FACTOR 1. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROTECTING, CONSERVING, AND PRESERVING RESOURCES OF THE PARK AREA.

The Offeror agrees to comply with all terms and conditions in the contract, including compliance with all applicable laws, including, without limitation, environmental protection and conservation laws, under the terms and conditions specified in the draft concession contract.

PRINCIPAL SELECTION FACTOR 2. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROVIDING NECESSARY AND APPROPRIATE VISITOR SERVICES AT REASONABLE RATES.

The Offeror agrees to comply with all the terms and conditions specified in the Concession Contract, including its exhibits.

The Offeror agrees to operate at the current NPS approved rates during the term of the Concession Contract until such time as a new rate schedule is approved by the Secretary, in accordance with 16 U.S.C. 5955.

The Offeror agrees to accept the Concession Facilities, and any assigned government personal property "as is" as required by the draft concession contract, Section 8(f).

The Offeror accepts the draft Operating Plan included as Exhibit B of the draft concession contract.

The Offeror accepts the draft Maintenance Plan included as Exhibit E of the draft concession contract.

The Offeror agrees to accept the "Facility Maintenance Expense Requirement" of five percent (5.0%) of annual gross receipts, as described in the draft concession contract, including the administrative responsibilities associated with the funds.

The Offeror agrees to accept the "Repair and Maintenance Reserve" of five percent (5.0%) of annual gross receipts, as described in the draft concession contract, including the administrative responsibilities associated with the funds.

The Offeror agrees to implement an equal opportunity program and comply with the terms of the equal opportunity and handicapped access requirements of the draft concession contract.

The Offeror agrees to develop and implement an effective health and safety program (risk management program), according to the requirements of the draft Operating Plan for such programs.

The Offeror agrees to meet the public liability and property insurance requirements of the draft concession contract Exhibit F and agrees to provide property and liability insurance of at least the types and levels of coverage described in the draft concession contract.

PRINCIPAL SELECTION FACTORS 3 AND 4 DO NOT HAVE MINIMUM REQUIREMENTS FOR THIS PART. INFORMATION REQUIRED FOR PRINCIPAL SELECTION FACTORS 3 AND 4 IS IN PART B.

PRINCIPAL SELECTION FACTOR 5. THE AMOUNT OF THE PROPOSED MINIMUM FRANCHISE FEE, IF ANY, AND/OR OTHER FORMS OF FINANCIAL CONSIDERATION TO THE DIRECTOR.

The Offeror agrees to at least the minimum Franchise Fee of twelve percent (12.0%) of annual gross receipts.

PART B

PRINCIPAL SELECTION FACTOR 1. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROTECTING, CONSERVING, AND PRESERVING RESOURCES OF THE PARK AREA. (0-5 Points)

Service Objectives

The Service's objectives under this factor are for the Concessioner to protect, conserve, and preserve the historic Concession Facilities. The Service has particular concern for the preservation of historic structures and cultural landscapes. The character of a cultural landscape is defined both by physical materials, such as roads, buildings, walls and vegetation, and by use reflecting cultural values and traditions. The Zion Lodge complex is a National Register Historic District. The Zion Lodge's forty Western Cabins and several other buildings are listed in the National Register of Historic Places.

In the following subfactors demonstrate your experience and ability to provide a comprehensive maintenance program for the care of facilities within the land assignment.

Subfactor 1a: Provide an overall statement of your organization's philosophy on asset management for both historic and non-historic structures. Describe its origin and evolution and how you integrate the philosophy into your organization. Also describe your approach for the management of designated historic buildings assets.

Subfactor 1b: Substantiate your philosophical commitment to the preservation and maintenance of historic and non-historic buildings by providing:

1. Two examples of actions you have taken that involved an historic structure where historic character was either maintained or re-introduced as part of a rehabilitation activity (interior or exterior). A better answer would include how unanticipated problems were identified and corrected in each example.
2. Two examples that involved a substantial maintenance repair (interior or exterior) to a non-historic building. A better answer would include how unanticipated problems were identified and corrected in each example.

Note to Offeror:

Submit examples as a case study and include the following:

- *A description of how the project occurred.*
- *A description of the problems and challenges you faced.*
- *A description of the actions you took*
- *A description of the processes and systems [for example, work orders, computerized maintenance management system, etc.] that supported the activity.*
- *A narrative assessment of what made the maintenance action successful*

- *A narrative assessment of what part of the action or activity needed improvement*
- *Describe how this action impacted your maintenance procedures.*

Subfactor 1c: Substantiate your commitment to the maintenance of historic and non-historic assets and prioritization of activities by providing the following information:

1. Describe your proposed process for determining building condition.
2. Describe your proposed method for tracking building condition.
3. Based on building condition and tracking method, describe your proposed process for setting priorities for maintenance of the real property assets you will manage. A better answer may include monitoring a series of buildings including historic and non-historic buildings in a cultural landscape¹.

Subfactor 1d: Demonstrate your ability to conduct preventive maintenance of buildings and facilities by providing the following information:

1. Describe your proposed preventive maintenance program as it relates to historic and non-historic buildings.
2. Provide an example of a preventive maintenance plan you would use and how it would be executed for a building exterior or interior. A better answer may include an example of a preventive maintenance plan that involves historic buildings.
3. Describe the expertise of your asset management staff and crews. Include information regarding your recruitment program for asset management staff, and any asset management training programs you conduct, attend, or require.
4. Explain how you archive and maintain knowledge pertaining to the maintenance of buildings and infrastructure.

¹ A cultural landscape is a designed landscape within a natural environment that has historical significance. Characteristics of a cultural landscape may include buildings, vegetation, traffic and visitor flow patterns, open areas, infrastructure associated with the area, and a natural setting.

PRINCIPAL SELECTION FACTOR 2. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROVIDING NECESSARY AND APPROPRIATE VISITOR SERVICES AT REASONABLE RATES. (0-5 Points)

Service Objectives

The Service's primary objective regarding the visitor services to be provided under the Draft Contract is for the Concessioner to deliver high quality visitor services. Though many factors influence this objective, the Service has chosen to focus on the following areas:

1. High quality, affordable, comfortable overnight accommodations
2. High quality food service that is appropriate to each food operation
3. High quality theme-related merchandise offered in a wide range of types and prices
4. Park interpretive themes incorporated into as many aspects of the operation as possible
5. Effective measures of customer satisfaction

Subfactor 2a: As with most parks, during the Summer the dining facilities experience high demand during lunch and dinner periods leading to long wait times. During the off-season, demand fluctuates. Describe how you would assess these problems and improve visitor service during peak demand and off-season dining periods. Assume you can not change the infrastructure.

Subfactor 2b: The Park has included its "Gift Shop Mission Statement" as an Attachment to Exhibit B of the Draft Contract. The Service policy on merchandise is located in Chapter 10.2.4.5 of the National Park Service Management Policies, included in the Appendix of the Prospectus. Under the Draft Contract, the Concessioner must develop a Merchandise Plan (see Section 3(d)(3) of the Draft Contract and Section 7(C)(2) of the Draft Operating Plan attached as Exhibit B to the Draft Contract). Describe how you will develop a theme-related merchandise program by providing the following information.

1. Provide five photographs or illustrations of unique items you have developed for specific locations as part of a theme-related merchandise program. Describe each item and also describe why you developed that item for that particular location. Do not provide the merchandise itself. A better answer will include examples at a range of prices and in different merchandise categories.
2. Describe the process you will use, including measures for success, for developing and selecting unique merchandise that complements Park themes. Please note in this question we are not asking for examples of merchandise, rather we are seeking a description of the processes you will use to develop and select such merchandise.

Subfactor 2c: The Park would like the concessioner to support the Park's interpretive efforts in ways other than through the sale of interpretive-themed merchandise as described in the Draft Operating Plan Section 7(C)(1).

Please describe your plans for incorporating Park-specific interpretive concepts and NPS information through non-personal items. Please exclude interpretive merchandise discussed in Subfactor 2b. Do not send us actual items. Potential areas for consideration include, but are not limited to, décor, signage, interpretive media such as hangtags or placemats, activities, uniforms, and furnishings and fixtures.

Subfactor 2d: Demonstrate how you will monitor and improve customer satisfaction by providing the following information:

1. Explain what customer feedback systems and practices you would implement to evaluate and monitor on a regular basis customer satisfaction in lodging, food service, and other services required under the Draft Contract.
2. Explain the actions you will undertake to increase customer satisfaction in the lodging, food service, and retail operations required under the Draft Contract. Include information on employee training and monitoring programs.

PRINCIPAL SELECTION FACTOR 3. THE EXPERIENCE AND RELATED BACKGROUND OF THE OFFEROR IN PROVIDING THE SAME OR SIMILAR VISITOR SERVICES AS THOSE TO BE PROVIDED UNDER THE CONCESSION CONTRACT. (0-5 Points)

Note to Offeror: Although it will not be scored as a separate element for selection purposes, to assist in the evaluation of proposals under this and other selection factors, please provide the following information regarding your organizational structure.

Offeror's Organizational Structure. Describe the entity with which the National Park Service will contract. Clearly define the Offeror's relationship to all superior and/or subordinate entities. Identify the entity, if one exists, that has the authority to allocate funds, hire, and fire management employees of the business entity that will hold the contract with the National Park Service. If this entity is a public corporation with a Board of Directors, provide information about the makeup and selection of the Board. Identify a majority shareholder or shareholder with controlling interest, if either exists. If the entity is a limited liability company or a partnership, identify and provide information about each member or partner.

Using the following Business Organization Form, identify the Offeror and each business organization, operator, and any parties involved in the management of the proposed concession operation. Use the form appropriate for your organization (Partnership, Sole Proprietorship, Corporation, or Limited Liability Company) and include all information necessary to make the relationships among parties clear. When completed, the Business Organization and Credit Information form should convey the following information:

1. Identify the Offeror formally.
2. Explain the legal form and formal structure of the Offeror.
3. Identify and describe the owners of the Offeror, including, without limitation, all levels of parent organizations, their relationship to the Offeror, and the precise extent of their ownership interest.
4. Identify all related, subordinate, or superior business organizations and any other organizations, contractors, or subcontractors that will have a significant role in managing, directing, operating, or otherwise carrying out the services to be provided by the Offeror. Describe in detail how these relationships will work formally and in practice.
5. Identify how long the Offeror has existed as a legal entity.
6. Submit your organizational documents (e.g., partnership agreement, articles of incorporation).

**BUSINESS ORGANIZATION
PARTNERSHIP OR SOLE PROPRIETOR
(PRINCIPAL SELECTION FACTOR 3)**

Name of Entity	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person	
Title	
Tax ID #	
Form of Business: <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Other (please describe) _____	
Years in Business	

OWNERSHIP			
Names And Addresses Of Each Partner Or Sole Proprietor	Percentage of Ownership	Current Value of Business	Role in Providing Concession Services



BUSINESS ORGANIZATION
CORPORATION OR LIMITED LIABILITY COMPANY
(PRINCIPAL SELECTION FACTOR 3)

Complete separate form for the submitting corporation and the parent corporation (include all partners in a joint venture).

Name of Entity	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person	
Title	
Tax ID#	
State of Incorporation	
Date of Incorporation	

OWNERSHIP	NUMBER AND TYPE OF SHARES OR PERCENTAGE OF OWNERSHIP	CURRENT VALUE OF INVESTMENT
Names and Addresses of those with controlling interest or key principals		
Total of All		
Total Shares Outstanding		

CORPORATE OFFICERS AND BOARD OF DIRECTOR OR MANAGING MEMBERS	ADDRESS	TITLE AND/OR AFFILIATION



Subfactor 3a: Demonstrate that your organization is structured and staffed to effectively carry out the responsibilities of the Draft Contract by providing the following information:

Clearly outline the organizational structure you intend to use to manage and execute the services contemplated under the Draft Contract during peak and off peak seasons. To the extent that support services such as purchasing or human resources will be provided by a corporate parent, clearly identify how this support will benefit the operation. Provide the principle lines of authority between departments and managers.

Describe the qualifications of the person you would employ for each of the following positions. Include relevant experience, minimum qualifications, certifications (if applicable), and education in a consistent format.

- Corporate officer(s)/executives with responsibility for directly supervising the general manager or any other member of the management team for this contract.
- General Management Team
- Departmental and/or area managers including, but not limited to, lodging, food and beverage, and retail sales
- Safety and environmental manager(s)

In addition provide workforce estimates in Full Time Equivalents (FTE) for each operating department (i.e., lodging, food and beverage, retail) and support functions (for example, maintenance and administration) during both peak and off-peak seasons.

Subfactor 3b: The operating season at Zion National Park is a significant factor that can affect all aspects of concessioner and Service operations. Specifically, the Service is particularly interested in your experience with operations in remote areas that have peak and off-peak operating seasons and have a scope of services similar to those offered under the Draft Contract. Demonstrate your experience in operating in areas with varying seasonal demands by providing three examples of your experience that include the following:

1. Name and location of operation
2. Scope of services offered
3. Operating season, including opening and closing dates or descriptions of peak and off-peak seasons
4. Size of facilities
 - a. Number of structures and total square footage
 - b. Gross revenues for the most recent three years of operation in which the Offeror was involved with the business
 - c. Service volume (for example, annual room nights, number of guests, cover counts, etc.)
5. Nature of the Offeror's involvement
6. Tenure of the Offeror's involvement

7. Current status of business (for example, owned and operated by Offeror, sold, open but no longer operated by Offeror, closed, etc.)
8. Number of full-time employees
9. Number of part-time employees
10. Number of seasonal employees, segregated by peak and off-peak seasons (please indicate season dates).
11. Number of miles to closest commercial center(s)

Subfactor 3c: A high quality, skilled and motivated employee staff is a critical component of meeting visitor needs at Zion National Park. Specifically, the operation faces the following challenges:

- A fairly remote location
- An operation with a peak and off-peak season and with very few year-round employment opportunities

1. Describe your process for maintaining high quality, skilled and motivated employee staff by addressing the following:
 - Explain how you will recruit staff considering the peak and off-peak nature of the operations.
 - Explain how you will overcome any language or cultural barriers in communicating with your employees and in employees interacting with visitors.
 - Provide a description of how you will retain excellent management and staff, and how you will encourage peak-season employees to stay for the entire peak season and to return in future years.
2. Substantiate your experience by providing two examples of different staffing challenges you have successfully met at two different locations. A better answer may include at least one example that describes an operation with peak and off-peak seasons in an isolated location and each example should demonstrate how you analyzed the situation and tailored specific solutions to meet the identified challenge.

Submit your examples as a case study and include the following:

- *A description of the problems and challenges you faced*
- *A description of the actions you took*
- *A description of the processes and systems that supported the work.*
- *A narrative assessment of what made the work successful*
- *A narrative assessment of what part of the action you took needed improvement*
- *The methods used for measuring success*

Subfactor 3d: The Concession Facilities described under the Draft Contract do not include a staging area inside the Park from which to conduct fleet maintenance, warehouse operations, etc. Storage and maintenance facilities within the Park are extremely limited. In light of these circumstances, describe:

- How you will stage for this operation
- Where you will locate support operations such as warehouse, fleet maintenance, reservation center, administration, etc.

A better answer may identify specific properties, or candidate properties you would use and describe how they will meet the logistical needs of this operation.

Subfactor 3e: The Service is aware any large business will receive the occasional audit deficiency, notice of violation, penalty, fine, marginal public health inspection or similar regulatory notices. We are interested in understanding how your business manages these infractions.

For the Offeror, parent company or any of its principals and any subsidiaries or related entities under the primary organizational entity (e.g., a parent corporation and all subsidiaries), whether as a principal or employee of Offeror or otherwise, identify any infraction issued by a federal or state regulatory agency in the last five years. For each infraction, provide the following:

- 1) What was the basis for the infraction?
- 2) Who issued the infraction?
- 3) When was the infraction issued?
- 4) How did you address the infraction?
- 5) How will you ensure that the problem does not recur?

If you report no such infraction, please explain the scope of entities and infractions you considered in providing your response.

PRINCIPAL SELECTION FACTOR 4. THE FINANCIAL CAPABILITY OF THE OFFEROR TO CARRY OUT ITS PROPOSAL (Scoring: 0 – 5 Points)*General Notes:*

- *In the event the Offeror is not the legal entity that is to be the Concessioner, provide the information described below with respect to both the Offeror, including all partners in a joint venture, and the proposed Concessioner. If the entity that is to be the Concessioner is not formally in existence as of the time of submission of a proposal, a proposal must demonstrate that the individuals or organizations that intend to establish the entity that will become the Concessioner have the ability and are legally obliged to cause the entity to be financially and managerially capable of carrying out the terms of the Contract. In addition, the Offeror must unconditionally state and guarantee in its proposal that the Offeror will provide the Concessioner with all funding, management and/or other resources that the proposal offers.*

Subfactor 4a: Demonstrate that you have a credible, proven track record of meeting your financial obligations by providing the following:

1. A completed Business History Information form provided at the end of this section.
2. Provide financial statements for the two most recent fiscal years, with all notes to the financial statements. Provide the financial statements for the Offeror **and** all parent companies. Provide personal financial statements for an owner of a sole proprietorship, general partners in a partnership, and members of a limited liability company.
 - a. Provide audited financial statements, with all notes to the financial statements.

OR

- b. If audited financial statements are not available or not representative of the financial history, present an explanation in sufficient detail to enable a reviewer to fully understand the reasons why audited statements are not available. In addition, provide compelling evidence, accompanied by a description, of your financial track record (for example, reviewed statements, including explanations of the reason the statements were not audited and notes to the financial statements).
3. A CURRENT credit report (within the last six months) from a major credit reporting company such as Equifax, Experian, or Dunn & Bradstreet.

Subfactor 4b: Demonstrate that you understand the financial obligations and potential of the Draft Contract by providing the following:

1. Provide your estimate of the acquisition and start-up costs of this business using the Initial Investment and Start-Up Cost form (a sample of this form is located at the end of this section) included in the Excel spreadsheets provided in the Appendix to this Prospectus. Explain fully the methodology and the assumptions used to develop the estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.
2. Using the Excel spreadsheets provided in the Appendix to this Prospectus (samples of these forms are located at the end of this section), provide estimates of prospective revenues and expenses of the concession business in the form of annual prospective income and cash flow statements for the entire term of the Concession Contract.

Additional general notes regarding the provided forms in the attached appendix:

- The Service has provided forms that request the information in the format it desires. These forms may differ from the format and requirements set forth in generally accepted auditing standards (GAAS) with regard to prospective financial statements. The Service does NOT request that the prospective financial statements be reviewed in accordance with GAAS. In situations where the information requested departs from GAAS, the Service requests that the information be provided in the format requested and NOT in conformance with GAAS.
- You may expand on the information requested on the form, but do not provide less, do not reduce the captions (line-items) called for, and do not change the order of items.
- Do not add or eliminate rows on the Excel spreadsheets provided in the Appendix to this Prospectus. Columns should not be deleted; however, columns may be added to adjust the number of years to the Draft Contract term, if necessary. If you wish to provide additional information, do so in additional spreadsheets, outside of the ones provided. If additional information is provided, clearly identify how it fits into the income statement, cash flow, and/or assumption tables. For the purpose of the proforma statements utilize the calendar year as the fiscal year.
- Provide a clear and concise narrative explanation of the method(s) used to prepare the estimates and the assumptions on which your projections are based. Information must be sufficiently detailed to fully understand how the estimates were determined.
- Complete all of the forms provided and submit both a hard copy and an Excel spreadsheet file. Failure to provide all of the information requested on these forms may result in a reduced score. Use the electronic version of the Operating Assumptions and Prospective Income Statement form provided in the appendix. The financial basis of any projections that show significantly increased revenues and/or decreased expenses from the projections provided in the Prospectus should be fully explained.

Subfactor 4c: Demonstrate your ability to obtain the required funds by providing credible, compelling documentation. Fully explain the financial arrangements you propose, using the following guidelines:

1. If funds are to be obtained from operating cash flows, document each source and availability of these funds by referencing your previous and current audited financial statements.

2. If funds are to be obtained from lending institutions (banks, savings and loans, etc.), provide financing agreements, letters of commitment or similar supporting documents. Also, include a letter (addressed to the National Park Service from the Lender), which provides compelling documentation as to the likely amount of funds available to the offeror at the start of the Draft Contract. Include the lending institution contact name on the letter and authorize the lending institution to release any information to the National Park Service concerning relevant financing arrangements.
3. If funds are to be obtained from an individual, or a corporation whose primary fund source is an individual, provide the following as appropriate:
 - a. Current personal financial statement for the primary source of funds.
 - b. Documentation of any assets to be sold.
 - c. Written funding commitment from the individual or corporation.
 - d. Any other assurances or documentation that makes a compelling demonstration that the funds are available.
4. If funds are to be obtained from working capital liabilities (such as advanced deposits or accounts payable), please provide estimates and a rationale for each estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.
5. If funds are to be obtained from another source (for example, a corporation whose primary fund source is not an individual), provide the following as appropriate:
 - e. Written funding commitment from the fund source.
 - f. Any other documentation that is necessary to create a compelling demonstration that the funds required to operate this business opportunity are available.

INITIAL INVESTMENTS AND START-UP EXPENSES FORM

Grey Cells Are Input Cells

Company Name

CONCID ZION003-08

Assets

Existing Assets

Assets necessary to the operation of the Concession, already owned by the Offeror, that will be allocated to the operation of the Draft Contract.

Real Property (not within the Park)
Personal Property
Inventory and Supplies
Other (describe)

\$
\$
\$
\$

Subtotal \$ 0

Planned Asset Acquisition

Assets necessary to Operate the Concession, that will be acquired by the Offeror if awarded the Draft Contract.

Real Property (not within the Park)
Personal Property
Inventory and Supplies
Other (describe)

\$
\$
\$
\$

Subtotal \$ 0

Total \$ 0

Other

Start-Up Expenses
Working Capital
Other (describe)

\$
\$
\$

Total \$ 0

Total Initial Investments and Start-up Expenses \$ 0

Notes

- 1) Formulas included in this form are provided by the NPS as guidance only. The Offeror is responsible for its financial projections and their accuracy.
- 2) Yellow cells represent categories that need to be explained on the "Investments Assumptions" worksheet.
- 3) All Offerors must include their estimate of the value of all property intended, whether planned for acquisition or currently owned, for use in the Draft Contract.
- 4) The items indicated above are the estimated planned expenditures for initial investment, defined as one-time costs in either the year prior to or the first year after the start of the Draft Contract.
- 5) Expenditures entered in this form should be in addition to that of typical annual capital investments and operating expenses of the first year of the Draft Contract.
- 6) Expenditures entered into this form should not be included in the proforma income statement.
- 7) Expenditures entered in this form should be included in the cash flow proforma as capital expenditures in either the year prior to or the first year after the start of the Draft Contract.

Definitions

Start-up Expenses

One-time expenses incurred prior to the beginning of the contract, or during the first year of the contract, if needed, to implement your proposal.

Working Capital

Additional funds for working capital current assets such as pre-paid expenses, contingencies, and other necessary cash flow requirements. This should not be confused with Net Working Capital (current assets-current liabilities). Working capital current liabilities (such as advanced deposits, and accounts payable, should be included as funding sources in Subfactor 4c)

INITIAL INVESTMENTS AND START-UP EXPENSES ASSUMPTIONS

Grey Cells Are Input Cells

Company Name

CONCID

ZION003-08

Assets

Existing Assets

Assets necessary to the operation of the Concession, already owned by the Offeror, that will be allocated to the operation of the Draft Contract.

Real Property (not within the Park)

Describe

Personal Property

Describe

Inventory and Supplies

Describe

Other (describe)

Describe

Planned Asset Acquisition

Assets necessary to Operate the Concession, that will be acquired by the Offeror if awarded the Draft Contract.

Real Property (not within the Park)

Describe

Personal Property

Describe

Inventory and Supplies

Describe

Other (describe)

Describe

Other

Start-Up Expenses

Describe

Working Capital

Describe

Other (describe)

Describe

Notes

In the description sections of this form, please provide an explanation of sufficient detail to allow a reviewer to fully understand how the estimates were determined.

INCOME STATEMENT FORM

Grey Cells Are Input Cells

Company Name

CONCID ZION003-08

Prospective Income Statement

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross Revenue										
Lodging										
Food and Beverage										
Retail										
Transportation										
Other										
Total Gross Revenue										
Total Gross Receipts (if Different)										
Cost of Sales										
Lodging										
Food and Beverage										
Retail										
Transportation										
Other										
Total Cost of Sales										
Gross Profit										
Direct Expenses										
Direct Salaries & Benefits										
Utilities										
Repair and Maintenance Expense										
Operating Supplies										
Commissions										
Vehicle Expense										
Equipment Rental										
Contract Services										
Other Direct										
Total Direct Expenses										
Undistributed Expenses										
Other Salaries										
Office Supplies										
Telephone										
Management / Overhead										
Audit Expense										
Advertising										
Repair and Maintenance Reserve										
Other Admin										
Other Undistributed										
Total Undistributed Expenses										
Fixed Expenses										
Insurance										
Other										
Total Fixed Expenses										
Total Operating Expenses										
EBITDA FF										
Franchise Fee										
EBITDA										
Interest Expense										
Depreciation										
Amortization										
Net Profit Before Taxes										
Income Tax										
Net Income										

Notes

- 1) Formulas included in this form are provided by the NPS as guidance only. The Offeror is responsible for its financial projections and their accuracy.
- 2) Yellow cells represent categories that need to be explained on the "Income Statement Assumptions" worksheet.
- 3) Only projected receipts and expenses related to the services "required" by the contract and those you choose to operate under "authorized" services are to be itemized and included in your prospective statements. Please clearly identify, by service type, all revenues associated with authorized services.
- 4) Fully explain and document your Gross Revenue build-up. State annual inflation rate assumptions, rate increase assumptions, utilization assumptions and any estimates of real growth you anticipate.
- 5) All Direct Expenses should be supported with a clear rationale. Labor costs should be supported by a footnote identifying Full Time Equivalents (FTE) occupied for each operating department identified.
- 6) Clearly describe the composition of each item classified under Undistributed and Fixed Expenses. If the expense item is allocated from or shared with a parent or related entity, please describe the allocation method. In particular, if you intend to assess a Management Fee, or other form of corporate overhead and profit, you must clearly describe what this fee is comprised of (Officer salaries, human resources, accounting, marketing, profit,

Definitions**Gross Receipts**

Gross Revenues less any revenues that are exempt from franchise fee.

EBITDA FF

Earnings Before Interest, Taxes, Depreciation, Amortization, and Franchise Fee.

Franchise Fees

A percentage of gross receipts due to the National Park Service.

INCOME STATEMENT ASSUMPTIONS

Grey Cells Are Input Cells

Company Name

CONCID ZION003-08

Revenue	
Lodging	Describe
Food and Beverage	Describe
Retail	Describe
Transportation	Describe
Other	Describe
Cost of Sales	
Lodging	Describe
Food and Beverage	Describe
Merchandise	Describe
Service Station	Describe
Other	Describe

Direct Expenses	
Direct Salaries & Benefits	Describe
Utilities	Describe
Repair and Maintenance Expense	Describe
Operating Supplies	Describe
Commissions	Describe
Vehicle Expense	Describe
Equipment Rental	Describe
Contract Services	Describe
Other Direct	Describe

Undistributed Expenses	
Other Salaries	Describe
Office Supplies	Describe
Telephone	Describe
Management / Overhead	Describe
Audit Expense	Describe
Advertising	Describe
Repair and Maintenance Reserve	Describe
Other Admin	Describe
Other Undistributed	Describe
Other	Describe

Fixed Expenses

Insurance

Describe

Other

Describe

Notes

1) In the description sections of this form, please provide an explanation of sufficient detail to allow a reviewer to fully understand how the estimates were determined.

2) Please also note that revenue projections must be based on rates determined by the approval methods set forth in the draft Operating Plan.

Examples**Revenue Assumption Description Example:**

*****The following example does not reflect the above opportunity and is provided for the purpose of clarification only.*****

"Revenue inflation is expected increase at the same rate as the Consumer Price Index which is predicted to grow at a rate of 2.7% annually, based upon historical growth as reported by the Bureau of Labor Statistics. No real growth is expected to occur, keeping in line with historical revenues at the Concession. Therefore, overall revenue growth is forecast to occur at an average annual rate of 2.7% over the life of the Draft Contract."

Expense Assumption Description Example:

*****The following example does not reflect the above opportunity and is provided for the purpose of clarification only.*****

"Direct expenses are expected to surpass historical direct expenses, as fuel and insurance prices increase. Studies by the Department of Commerce indicate that fuel prices will to rise at a rate of 10% annually over the next ten years, as opposed to the historical ten year rate of 4% annually. Additionally, insurance costs, according to a nationwide insurance broker survey, are expected to rise at 15% annually for the next 10 years, as opposed to the 10 year historical rate of 2% annually. Accordingly, direct expenses associated with the operation are forecast to increase from an annual average of 10% of Gross Revenue to an annual average of 20% of Gross Revenues over the life of the Draft Contract."

CASH FLOW STATEMENT FORM

Grey Cells Are Input Cells

Company Name

CONCID ZION003-08

Prospective Cash Flow Statement

Operating Activities	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net Income										
Depreciation										
Amortization										
Change in working capital										
Other (describe)										
Net Cash Provided by Operating Activities		-	-	-	-	-	-	-	-	-
Financing Activities										
Dividend										
Notes Payable										
Other (describe)										
Net Cash Used in Financing Activities		-	-	-	-	-	-	-	-	-
Investment Activities										
Personal Property										
Real Property										
Other (describe)										
Net cash used in investing activities		-	-	-	-	-	-	-	-	-
Total Cash Flow		-	-	-	-	-	-	-	-	-

Notes

- 1) Formulas included in this form are provided by the NPS as guidance only. The Offeror is responsible for its financial projections and their accuracy.
- 2) Yellow cells represent categories that need to be explained on the "Cash Flow Statement Assumptions" worksheet.
- 3) Investment activities should include entries for one time acquisition and disposal at the beginning and end of the Draft Contract term as well as cyclical or annual capital investments such as replacement.
- 4) Estimates for capital expenditures in the Cash Flow Statements made prior to or during the first year after the start of the Draft Contract should be reflective of estimates provide in the Initial Investment and Start-up Costs form.
- 5) Clearly delineate between personal and real property and define your rationale and assumptions for each category.

CASH FLOW STATEMENT ASSUMPTIONS

Grey Cells Are Input Cells

Company Name

CONCID ZION003-08

Prospective Cash Flow Statement

Investment Activities

Personal Property	Describe
Real Property	Describe
Other (describe)	Describe

Notes

In the description sections of this form, please provide an explanation of sufficient detail to allow a reviewer to fully understand how the estimates were determined.

PRINCIPAL SELECTION FACTOR 5. FRANCHISE FEE AND OTHER FORMS OF FINANCIAL CONSIDERATION TO THE DIRECTOR (0-4 Points)

The minimum franchise fee acceptable to the Service is twelve percent (12.0%) of gross receipts. The offer of a higher franchise fee than this minimum is generally beneficial to the Service and accordingly will generally result in a higher score under this selection factor. However, consideration of revenue to the United States will be subordinate to the objectives of protecting, conserving, and preserving resources of the park area and of providing necessary and appropriate visitor services to the public at reasonable rates.

Subfactor 5a: State the franchise fee that you propose. Such fee must at least equal the minimum franchise fee set forth above. Express this fee as a percentage of annual gross receipts. Do not propose a tiered franchise fee, for example, x% on the first \$10,000 of gross receipts, y% on gross receipts between \$10,001 and \$25,000, z% on gross receipts between \$25,001 and above, or a franchise fee that changes based on the year of the contract.

_____ percent of annual gross receipts

SECONDARY SELECTION FACTOR

SECONDARY SELECTION FACTOR 1. THE QUALITY OF THE OFFEROR'S PROPOSAL TO CONDUCT ITS OPERATIONS IN A MANNER THAT FURTHERS THE PROTECTION, CONSERVATION AND PRESERVATION OF THE PARK AREA AND OTHER RESOURCES THROUGH ENVIRONMENTAL MANAGEMENT PROGRAMS AND ACTIVITIES, INCLUDING, WITHOUT LIMITATION, ENERGY CONSERVATION, WASTE REDUCTION, AND RECYCLING. (0-3 points)

Subfactor 1a: The Service seeks environmentally friendly practices, notably in the areas of sustainability and energy conservation; alternative fuel vehicles, night sky preservation, natural sound preservation, solid waste reduction, and other similar proactive actions. The Draft Maintenance Plan outlines some general requirements such as a recycling program, water and energy conservation, alternative fuel vehicles, etc. The Service is interested specifically in how you would address these requirements, going beyond what is required, and how you will commit to implementing your innovative ideas in the operation described in the Draft Contract.

Provide a brief overview of your complete environmental program and then describe in more detail three examples of innovative programs and associated activities (not already requested under other selection factors) that you would implement to achieve the Service's objectives. Your response should be concise and to the point.

Subfactor 1b: Please outline your proposed environmental educational program for visitors.